

**POLICE FIRE CITIZEN'S TASK FORCE**

**July 7, 2009 – 6:00 p.m.**

**4<sup>th</sup> Floor Conference Room, Busch Municipal Building**

**PRESENT:** Jerry Fenstermaker – Chairman, Jerry Harmison, Vice-Chairman, Lorenzo Baldwin, Mary Beth Daniels, Gordon Elliott, Carl Herd, Ken Homan, Bob Horton, James Jeffries, Bob Jones, Peggy Kubicek, Charles Munsey, Craig Wagoner, Lloyd Young

**CITY COUNCIL MEMBERS:** Dan Chiles

**CITY STAFF LIAISONS:** Greg Burris – City Manager, Evelyn Honea – Deputy City Manager, Collin Quigley – Assistant City Manager, Tom Rykowski – Asst. City Attorney, Chief Lynn Rowe – Police, Louise Whall - Director of Public Information, Sharon Smith - City Manager's Office

**ABSENT:** Danny Hyde, David Trippe

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Mr. Jerry Fenstermaker called meeting to order. Mr. Fenstermaker stated that during tonight's meeting the Task Force should work towards recommendations – preferably two alternatives – to present to City Council. The goal is to pull together and finalize these recommendations at the July 15 meeting, then plan to present at town hall meetings the week of July 20.

Mr. Ken Homan distributed a memo from Milliman with updated funded ratio projections that were requested by the Task Force from the June 30 meeting (document attached). Mr. Homan reviewed the analysis of 32 scenarios contained on the graphs attached as a part of Milliman's report.

Mr. Fenstermaker asked Greg Burris to discuss how the difference between 35% and 50% City contribution can affect the quality of life for citizens. Mr. Burris stated 35% is more than the City has traditionally contributed (except the last two years), but is feasible and can restore Springfield to the standards citizens want and expect. The 50% contribution will have citizens continue to see the reductions in services that this current fiscal year is experiencing.

Mr. Bob Jones made a motion to recommend that City staff and City Council examine the actuarial report that will be presented later in 2009 and put before the voters a proposed sales tax at a level such that the tax will increase the pension fund to as close as possible to an 80% funded level before the tax sunsets. Dr. Lloyd Young stated the motion had not been seconded and Mr. Jones is out of order to continue discussion. Mr. Fenstermaker confirmed. Mr. James Jeffries made a motion to table Mr. Jones' motion. Mr. Bob Horton seconded. Motion quashed.

Mr. Horton asked Louise Whall if there was a survey done before the February vote. Ms. Whall stated the City did perform a survey and it showed the tax definitely had the potential to pass, given the margin of error.

Mr. Baldwin asked if the ballot language could inform voters of the consequences of a “no” vote. Mr. Burris stated the State dictates the format of the ballot language and is very structured and thus this would not be a possibility.

Dr. Young made a motion to recommend the following as one alternative to present to Council: 5/8% Sales Tax based on a 7.5% Return and a 35% City Contribution, for (2) 5-year periods. Mr. Chad Munsey seconded motion.

Mr. Jerry Harmison asked for clarification on the alternatives – will members be voting on first choice and second choice alternatives? Mr. Fenstermaker confirmed.

Mr. Elliott asked if it was possible to have two ballot languages with two different tax percentages, so citizens can vote for which one they want, giving the possibility of the lower tax passing if the higher tax does not. Mr. Tom Rykowski stated it is a possibility, but will present complications in creating the ballot language. Dr. Young stated you risk the possibility of not getting a majority vote for either if there are two options. Mr. Fenstermaker said if the Task Force presents two alternatives to City Council, then the Task Force does not have to decide – City Council will make the final decision on how to present.

Mr. Herd made a motion to table the Dr. Young’s motion until more information is provided. Mr. Elliott seconded motion. **Not Approved with a vote of (4 Yes and 8 No).**

After further discussion, Mr. Fenstermaker requested the Task Force vote on Dr. Young’s motion. **Approved with a vote of (9 Yes and 4 No).**

Mr. Fenstermaker requested a second alternative scenario. With the following sales tax options, the majority voted for a ¾% Sales Tax option.

¼% - 2 YES	¾% - 6 YES
3/8% - 1 YES	7/8% - 3 YES
½% - 0 YES	1% - 1 YES

After further discussion, Mr. Harmison moved to recommend the following as a second alternative to present to Council: ¾% Sales Tax based on a 7.5% Return and a 35% City Contribution, for (2) 5-year periods. Mr. Munsey seconded motion.

Mr. Elliott moved to table Mr. Harmison’s motion. Mr. Jeffries seconded. Mr. Elliott suggested the Task Force request the actuary provide the assumption figures calculated out 15-20 years. Mr. Elliot’s motion **failed with a vote of (3 Yes and 8 No).**

The vote on Mr. Harmison’s main motion: **Approved with a vote of (9 Yes and 4 No).**

Mr. Munsey reviewed a revenue source that had not been discussed as a topic within the Task Force. He presented the scenario of allowing Police and Fire employees the opportunity to work longer with the City, while earning an additional 1% benefit per year, but to a 75% maximum. It would be a change to the plan. He understands it would benefit the plan by approximately 10%.

More review will need to be done. Mr. Fenstermaker stated he understands this proposal was developed by Milliman approximately 5 years ago, but never brought forward. Mr. Shawn Martin, IAFF Secretary/Treasurer, confirmed the numbers were calculated in November 2005. Mr. Wagner asked if Police and Fire were interested in such a proposal. Mr. Tony Kelly, IAFF President, stated at that time, the Police and Fire employees were in favor, and he suspects the situation would be similar now. Ms. Evelyn Honea located the report and reviewed some of the information with the members. Mr. Burris stated City staff would create an updated report on this and provide soon.

Next meeting is scheduled for Wednesday, July 15 at 6:00 p.m.

Meeting adjourned at 8:10 p.m.